



# ASSESSING THE IMPACTS OF URBANIZATION ON LIVELIHOODS AND ECONOMIC DEVELOPMENT: A CASE STUDY OF LILONGWE CITY, MALAWI

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## ABSTRACT :

This study assessed the impacts of urbanization on livelihoods and economic development in Lilongwe City, Malawi, focusing on Mtandire, Area 25, and Area 36. Lilongwe's rapid expansion, driven by rural-to-urban migration, population growth, and land-use change, presents both opportunities and challenges for sustainable development.

A mixed-methods design was employed, integrating quantitative and qualitative approaches. Data were collected from 105 respondents, including households and key informants, using questionnaires, interviews, focus group discussions, and document reviews. Quantitative data was analysed using SPSS, while qualitative responses underwent thematic analysis to capture community experiences.

Findings revealed that urbanization promotes economic activity through expanded markets, informal trade, and improved access to basic services. However, these gains are unevenly distributed. Many residents face unemployment, income insecurity, poor housing, and inadequate services, particularly in informal settlements. Rapid urban growth has also intensified overcrowding, environmental degradation, and infrastructure pressure.

The study has concluded that urbanization in Lilongwe is a dual process, driving growth while heightening socio-economic vulnerabilities if unmanaged. It has recommended inclusive planning, infrastructure investment, and sustainable job creation to enhance urban resilience. Strengthened housing policies, land-use regulation, and social protection are vital for equitable growth.

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**Keywords:** Economic Development, Household Resilience, Informal Settlements, Lilongwe City Malawi, Livelihoods, Sustainable Urban Growth, Urbanization.

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## INTRODUCTION

Urbanization is one of the most significant socio-economic transformations of the 21st century, reshaping global demographic and economic structures. In Malawi, this process has intensified in recent decades, with Lilongwe City at its core. Established as the political capital in 1975, Lilongwe has evolved into a dynamic urban centre driven by rural-to-urban migration, population growth, and changing policy priorities. While this expansion has stimulated economic activity, improved market access, and attracted investment, it has also deepened social inequalities, housing challenges, and service delivery gaps, particularly in informal settlements.

The city's rapid growth has outpaced its planning and governance capacity, resulting in widespread poverty, environmental degradation, and inadequate infrastructure. This study examined the impacts of urbanization on livelihoods and economic development in Lilongwe City, focusing on Mtandire, Area 25, and Area 36; areas representing different stages of urban transformation.

Using a mixed-methods design, the research combined household surveys with interviews and focus group discussions. Quantitative data revealed patterns in employment, income, and service access, while qualitative insights illuminated local experiences and coping strategies.

The findings highlight the dual nature of urbanization: while it creates economic opportunities, it also exacerbates vulnerabilities among low-income households. Many residents face informal employment, poor housing, and limited access to water, sanitation, and healthcare. The study therefore questioned assumption that urbanization automatically promotes inclusive development.

By offering localized and evidence-based insights, the research contributes to policy and planning in Malawi's urban sector. It informs strategies for sustainable land use, service delivery, and poverty reduction. For development practitioners and policymakers, the study provides guidance on designing inclusive urban programs that reflect community realities. Overall, it enriches academic discourse on sustainable urbanization and supports the pursuit of equitable and resilient cities in Malawi and Sub-Saharan Africa.

## ***Background of the Study***

Urbanization has become one of the most transformative processes shaping socio-economic development in the 21st century (UN-Habitat, 2020). Across Sub-Saharan Africa, cities are expanding rapidly as rural populations migrate in search of better opportunities, services, and infrastructure (Fox, 2014; Simon, 2018). This growth, while central to national development, also generates complex challenges related to housing, employment, income inequality, and access to social amenities (World Bank, 2016). For developing nations such as Malawi, managing urban growth has become a pressing concern, as cities like Lilongwe continue to absorb large populations amidst limited planning capacity and resource constraints (Resnick, 2019).

Lilongwe City, Malawi's political and administrative capital, has experienced unprecedented expansion driven by rural-to-urban migration, natural population increase, and informal land development (UN-Habitat, 2012; MLGRD, 2018). While this process has contributed to economic diversification and improved service delivery, it has also intensified social and spatial inequalities (Chirisa & Matamanda, 2021). Informal settlements such as Mtandire, alongside emerging residential areas like Area 25 and Area 36, reflect the city's uneven development pattern. Many households depend on informal employment, small-scale businesses, and casual labour, which remain vulnerable to economic shocks and limited institutional support (Satterthwaite, 2014; UNDP, 2022).

Urbanization is often viewed as both an opportunity and a challenge. On one hand, it stimulates economic growth, enhances market linkages, and attracts investment (World Bank, 2016). On the other, it can undermine livelihood sustainability, as rising population densities strain infrastructure, degrade the environment, and increase poverty risks (UN-Habitat, 2020; Fox, 2014). In Lilongwe, the absence of affordable housing, reliable utilities, and inclusive urban policies has exacerbated socio-economic vulnerability among low-income residents (Resnick, 2019; UNDP, 2022). These dynamics highlight the need for localized empirical studies to understand how urban growth affects household welfare and economic prospects (Simon, 2018).

This study therefore assessed the impacts of urbanization on livelihoods and economic development in Lilongwe City, with a focus on Mtandire, Area 25, and Area 36. It explores how residents navigate urban change, adapt to evolving opportunities, and respond to constraints in employment, income generation, and service access. By integrating quantitative and qualitative evidence, the research provides empirical insights to guide urban policy, promote inclusive planning, and strengthen sustainable livelihood strategies. Ultimately, the study contributes to scholarly and policy debates on how urbanization can serve as a driver of equitable growth and resilience in Malawi and similar African contexts (Chirisa & Matamanda, 2021; UN-Habitat, 2022).

## ***Main Objective of the study***

To assess the impact of urbanization on livelihoods and economic development in Mtandire, Area 25, and Area 36, Semi-urban areas of Lilongwe City, Malawi.

### **Specific Objectives:**

- To examine the patterns and driving forces behind urbanization in Lilongwe City.
- To analyse the effects of urbanization on employment and household income.
- To evaluate how urban infrastructure and services influence economic development.
- To identify key livelihood challenges faced by urban residents due to rapid urban growth.

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## **Literature review**

### ***Literature Review and Theoretical Framework***

Urbanization is a defining feature of socio-economic transformation across Sub-Saharan Africa, reshaping livelihoods, infrastructure, and spatial planning (Turok & McGranahan, 2013). This study drew upon three complementary theories; Modernization Theory, the Sustainable Livelihoods Framework (SLF), and Push-Pull Migration Theory, to understand how urban growth influences economic and social change in Lilongwe City, Malawi.

Modernization Theory views urbanization as a driver of industrialization, technological innovation, and improved living standards (Inglehart, 2005). However, in contexts like Lilongwe, modernization has produced uneven outcomes, including persistent informality, inequality, and service disparities. The SLF (DFID, 2000) provided a micro-level perspective, emphasizing human, natural, financial, physical, and social assets as the foundation of sustainable livelihoods. It highlighted how households in informal and peri-urban areas adapt to economic uncertainty and limited service delivery. The Push-Pull Migration Theory (Lee, 1966; Bhagat, 2020) explained how rural populations were pushed by poverty and pulled by urban opportunities, shaping demographic change and spatial expansion.

Empirical research revealed mixed outcomes of urbanization in Malawi. Mwachunga (2022) traced Lilongwe's planning history, while Manda (2013) examined informal settlements and infrastructure gaps. Potts (2017) analysed demographic shifts but underexplored household-level livelihood outcomes. Regional studies (Turok & McGranahan, 2013) noted persistent informality and limited employment absorption, underscoring the need for localized studies on economic inclusivity.

Despite growing scholarship, major research gaps remain. Most studies address urban morphology and governance but neglect how urbanization directly shapes employment, income, and household resilience (Resnick, 2019; Fox, 2014). Moreover, few have examined the differentiated experiences of Lilongwe's neighborhoods such as Mtandire, Area 25, and Area 36, where formal and informal dynamics intersect (UN-Habitat, 2012).

This study has filled these gaps through a place-based, empirical approach, linking urbanization's structural forces with household-level experiences. By integrating theoretical and practical perspectives, it contributes to understanding how cities like Lilongwe can harness urban growth for inclusive and sustainable economic development.

### **Research Design**

This study adopted a convergent mixed-methods design, integrating both quantitative and qualitative approaches to provide a comprehensive understanding of how urbanization affects livelihoods and economic development. The design allowed for the triangulation of numerical data with lived experiences, thereby enhancing validity and contextual depth (Creswell, 2014; Tashakkori & Teddlie, 2010).

### **Study Area**

The research was conducted in Lilongwe City, the political and administrative capital of Malawi. Three areas, Mtandire, Area 25, and Area 36, were purposively selected to represent different urban typologies. Mtandire is a densely populated informal settlement with limited services; Area 25 is a mixed residential zone; and Area 36 is a peri-urban expansion area under rapid transformation (UN-Habitat, 2012; MLGRD, 2018).

### **Population and Sampling**

The study targeted households, community leaders, and institutional representatives. A total of 105 respondents were selected using stratified random and purposive sampling to ensure representation across income levels, and spatial locations (Kumar, 2011). This sample size was sufficient to generate statistically and thematically significant insights within the study scope.

### **Data Collection Methods**

**Structured Household Surveys:** Administered to 105 respondents, capturing quantitative data on employment, income, access to water, sanitation, education, and housing quality.

**Semi-Structured Interviews:** Conducted with 12 key informants to obtain in-depth insights into planning processes, infrastructure challenges, and local governance.

**Focus Group Discussions (FGDs):** Six FGDs (two per area) were conducted, disaggregated by age, to explore perceptions of urban change and collective coping mechanisms.

**Document Review:** Secondary data sources, including policy papers, development strategies, and scholarly articles, were analysed to contextualize field findings.

All tools were pre-tested in a pilot study to ensure reliability and clarity before full deployment.

### **Data Analysis**

Quantitative data from the surveys were entered into and analysed using the Statistical Package for the Social Sciences (SPSS, Version 25). Descriptive statistics (frequencies, means, and percentages) summarized demographic characteristics, income levels, and service access. Inferential techniques identified relationships between urbanization indicators and livelihood outcomes.

Qualitative data from interviews and FGDs were transcribed verbatim and analysed using thematic analysis following Braun and Clarke's (2006) framework. Data coding was conducted with NVivo software, enabling systematic identification of patterns, recurring issues, and explanatory themes. Results from both analyses were triangulated to enhance validity and provide a holistic interpretation.

## **DATA ANALYSIS AND INTERPRETATION**

### **Demographic data of respondents**

**Table 1: below shows total number of respondents by age**

<b>Respondent Age</b>	<b>Frequency</b>	<b>Percentage(%)</b>
18-25	3	3
26-35	29	28
36-45	39	37
46-55	15	14
56 and above	19	18

Table 1 above shows that across Mtandire, Area 25, and Area 36, only 3 percent of respondents were aged 25 years or below. Most were 26 years and above, suggesting maturity and awareness of developmental changes, which strengthened the reliability of their responses.

**Table 2: below shows Educational Background of respondent**

Respondent education level	Frequency	Percentage(%)
Secondary	41	39
Diploma	14	13
Bachelor Degree	33	32
Master's Degree and above	14	13
Other	3	3

As shown in table 2 above 41 respondents attained secondary education, 14 held diplomas, 33 had bachelor's degrees, 14 master's or higher, and 3 had other qualifications. The high literacy levels indicate respondents clearly understood the study's objectives and provided credible data.

**Table 3: Employment Status of respondents**

Respondent employment status	Frequency	Percentage(%)
Yes, full time	62	59
Yes, part time	5	4
Self-employed	13	12
Un employed	9	9
Informal job	17	16

A total of 105 households were selected through stratified random sampling to ensure demographic and socio-economic representation. Purposive sampling was used to include key informants such as city officials, planners, traditional leaders, and NGO representatives. Table 3 shows that 61 respondents were in full-time employment, 5 part-time, 13 self-employed, 9 unemployed, and 17 engaged in informal activities. This diversity provided balanced insights into urban livelihood dynamics.

The demographic profile, marked by maturity, education, and varied employment, offered a strong base for understanding urbanization's effects in Lilongwe. Educated and employed respondents identified how urban growth influences access to jobs, housing, and services, while informal and unemployed participants revealed issues of inequality and vulnerability. Overall, the findings highlight that education and employment shape residents' capacity to benefit from or adapt to urban change, reflecting both opportunities and challenges of rapid urbanization.

## RESULTS

### *Household Income and Economic Stability*

The findings indicated that household income among respondents varied significantly. Only 7 respondents reported consistently sufficient income, while 42 experienced occasional sufficiency, and 30 consistently reported insufficiency. Over the past 24 months, 6 households maintained stable income levels, 42 experienced intermittent sufficiency, and 30 faced chronic inadequacy, reflecting widespread income instability across Lilongwe's urban areas. Furthermore, 61 respondents reported income fluctuations, suggesting economic vulnerability to shocks such as job loss, inflation, or illness.

### *Housing Conditions*

Housing conditions were diverse: 17% of respondents lived in owned formal houses, 50% in rented formal housing, and 33% in informal settlements. Regarding security, 70 respondents reported living in secure houses, while 27 were in insecure structures. Common housing challenges included high rent (69 respondents), overcrowding (68 respondents), and lack of amenities (44 respondents). Additionally, 68 households lacked legal protection against forced eviction, highlighting tenure insecurity in informal settlements.

### *Economic Shocks and Coping*

Economic shocks were frequent. About 48 respondents experienced job loss in the past two years, 79 failed to afford medical emergencies, and 70 faced food insecurity. Moreover, 82 respondents reported suffering economic challenges due to fuel price hikes. Only 24 respondents received government or community support, indicating limited social safety nets.

### ***Employment and Livelihood Patterns***

Urbanization in Lilongwe created mixed employment effects. A majority (74 respondents) indicated increased job opportunities in both formal and informal sectors, while 88 identified informal employment (casual labour, vending) as most common. Income stability remained weak, only 11% reported very stable sources, compared to 39% who were unstable. Job seekers faced challenges such as limited vacancies (74 respondents) and workplace discrimination (94 respondents).

### ***Service Delivery and Infrastructure***

Quality of public services was uneven. Electricity and water supply were rated fair by most respondents (47% and 54, respectively). Healthcare was considered fair to good by 65%, while waste collection services were deemed poor (38%). A majority (55 respondents) reported that infrastructure did not meet their basic needs.

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## **Discussion**

The findings show that urbanization in Lilongwe City creates both opportunities and challenges for livelihoods. Most respondents were mature and educated, enabling informed reflections on socio-economic changes. Urban growth has expanded employment, particularly in the informal sector, yet income instability remains widespread. Households often rely on irregular earnings and casual labor, making them vulnerable to shocks such as price increases, illness, or job loss. Limited access to social protection further exacerbates this vulnerability.

Housing and service provision reflect significant inequalities. While some residents live in secure, formal housing, many are in overcrowded or insecure dwellings with inadequate access to clean water, sanitation, and waste management. Informal settlements like Mtandire illustrate how rapid population growth and weak planning intensify housing shortages and environmental pressures. Service delivery has not kept pace with urban expansion: electricity and water are moderately reliable, but healthcare and waste management are insufficient, limiting livelihood sustainability.

Despite economic growth and urban expansion, benefits remain unevenly distributed, disproportionately affecting low-income households. Urbanization has increased both formal and informal employment but also raised living costs, placing additional pressure on vulnerable residents.

Overall, urbanization in Lilongwe has mixed outcomes, creating employment and market opportunities while deepening socio-economic inequalities. Sustainable urban development requires integrated policies promoting affordable housing, equitable service delivery, formal employment, and social protection. Participatory planning and targeted interventions are essential to ensure urban growth is inclusive, resilient, and supports livelihoods for all residents.

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## **Recommendations**

### **To respondents: households and communities**

- The households and communities at large, need to engage themselves in skills training, entrepreneurship, and small business ventures to diversify income sources.
- They need to form community savings groups or cooperatives to strengthen resilience against economic shocks.
- They should also actively participate in local decision-making platforms to ensure their needs are heard in urban planning.

### **To Lilongwe City Assembly**

- Lilongwe City Assembly need to upgrade and expand urban infrastructure such as roads, electricity, water, sanitation, and waste management.
- City Assembly should strengthen urban planning policies to regulate housing development and reduce the growth of informal settlements.
- It needs to promote inclusive planning by involving local communities and stakeholders in development initiatives.
- It should also integrate climate resilience and environmental protection into city development strategies.

### **To the Government of Malawi**

- The government should expand social protection programs like cash transfers, food aid, healthcare to cushion vulnerable urban households.
- Government should promote policies that encourage private-sector investment in industries that generate stable employment.
- Develop affordable housing programs to address overcrowding and high rent challenges.
- Enforce regulations on land use, pricing, and urban expansion to ensure balanced and sustainable development.

Urbanization in Lilongwe is both a challenge and an opportunity. If supported by effective policies, inclusive planning, and sustainable strategies, it can become a driver of equitable growth, stronger livelihoods, and improved living standards for all residents.

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## **Conclusion**

This study highlighted that urbanization in Lilongwe City has generated both opportunities and challenges for livelihoods and economic development. While city growth has increased employment, particularly in the informal sector, and expanded access to markets, many households continue to face income instability, inadequate housing, and limited access to essential services. Vulnerability to economic shocks, high living costs, and insecure tenure in informal settlements remain pressing concerns, disproportionately affecting low-income residents.

The research underscored the importance of integrating urban planning with inclusive socio-economic policies. Sustainable urban development in Lilongwe requires interventions that enhance income stability, formalize informal employment, improve housing quality, and ensure equitable access to

water, sanitation, healthcare, and other essential services. Participatory planning and targeted social protection measures are essential to strengthen household resilience and promote long-term well-being.

Overall, while urbanization offers potential for economic transformation, realizing these benefits equitably demands coordinated efforts from government, local authorities, and development partners. Policies that balance urban growth with social inclusion, infrastructure development, and environmental management are critical for creating a resilient, sustainable, and inclusive city for all residents.

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